GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5195
ANSWERED ON:11.05.2007
MISUSE OF EXPORT INCENTIVE SCHEME
Oram Shri Jual

Will the Minister of FINANCE be pleased to state:

(a) whether industrialists / traders in Rourkela region are misusing export incentives scheme by selling excise duty free HR Coil (sic.) in the domestic market instead of exporting them;

(b) if so, the details thereof; and

(c) the action taken against the persons/ companies found guilty ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S. S. PALANIMANICKAM)

(a), (b) & (c): No, Sir. The Government has not come across any case of misuse of export incentive schemes in Rourkela region by way of sale of excise duty free Hot Rolled(HR) Coils meant for export in the domestic market. However, a firm by name M/s Anurag Ferro Products Pvt. Ltd., Kalunga, Rourkela is alleged to have diverted Cold Rolled Coils, manufactured out of HR Coils procured without payment of excise duty for export production, in the domestic market.Two show cause cum demand notices involving a total amount of Rs.3.69 crores (approx.) were issued to the said firm for the alleged offence. One show cause notice involving an amount of Rs. 2.04 crores has already been adjudicated. The other show cause notice involving an amount of Rs. 1.65 crores is under the process of adjudication.